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By: **Senator Dorman**  
Introduced and read first time: February 2, 2001  
Assigned to: Finance

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A BILL ENTITLED

1 AN ACT concerning

2 **Licensed and Certified Real Estate Appraisers - Scope of Practice and**  
3 **Payment by Lenders**

4 FOR the purpose of expanding the definition of providing real estate appraisal  
5 services to include valuation of any real estate in the State that will result in the  
6 total indebtedness of a person that exceeds a certain amount; prohibiting a  
7 person from providing, attempting to provide, or offering to provide real estate  
8 appraisal services in the State unless the person is licensed or certified by the  
9 State Commission of Real Estate Appraisers; prohibiting a lender that enters  
10 into a certain contract with a licensed or certified real estate appraiser from  
11 making the payment dependent on a factual finding of the appraisal or from  
12 withholding payment after a certain period of time under certain circumstances;  
13 establishing certain penalties for a lender who makes the payment of a licensed  
14 or certified real estate appraiser dependent on a factual finding of the appraisal  
15 or withholds payment after a certain period of time under certain  
16 circumstances; defining certain terms; and generally relating to providing real  
17 estate appraisal services and the payment of licensed or certified real estate  
18 appraisers by lenders.

19 BY repealing and reenacting, with amendments,  
20 Article - Business Occupations and Professions  
21 Section 16-101(k) and 16-702  
22 Annotated Code of Maryland  
23 (2000 Replacement Volume and 2000 Supplement)

24 BY adding to  
25 Article - Real Property  
26 Section 14-127  
27 Annotated Code of Maryland  
28 (1996 Replacement Volume and 2000 Supplement)

29 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
30 MARYLAND, That the Laws of Maryland read as follows:



1 CONTRACT OF SALE OR THE AMOUNT REQUESTED BY THE LENDER, A LENDER MAY  
2 NOT WITHHOLD PAYMENT TO THE LICENSED OR CERTIFIED REAL ESTATE  
3 APPRAISER FOR LONGER THAT 90 CALENDAR DAYS AFTER DELIVERY OF THE  
4 APPRAISAL TO THE LENDER.

5 (C) IF A LICENSED OR CERTIFIED REAL ESTATE APPRAISER SEEKS RELIEF IN  
6 COURT FOR A VIOLATION OF SUBSECTION (B) OF THIS SECTION AND THE COURT  
7 FINDS IN FAVOR OF THE LICENSED OR CERTIFIED REAL ESTATE APPRAISER, THE  
8 COURT SHALL AWARD THE LICENSED OR CERTIFIED REAL ESTATE APPRAISER  
9 THREE TIMES THE AMOUNT THAT THE LENDER AGREED TO PAY THE LICENSED OR  
10 CERTIFIED REAL ESTATE APPRAISER UNDER THE CONTRACT FOR THE APPRAISAL,  
11 PLUS COURT COSTS AND ATTORNEYS' FEES.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
13 October 1, 2001.